



DONALD L. WOLFE, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: **PJ-2**

March 6, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LAC+USC MEDICAL CENTER REPLACEMENT PROJECT
AUTHORIZE SUPPLEMENTAL AGREEMENT 5
SMITH-EMERY COMPANY; CONTRACT PW-12668
SPECS. 6550; C.P. 70787
SUPERVISORIAL DISTRICT 1
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD:**

Award and authorize the Director of Public Works to execute Supplemental Agreement 5 to Consultant Services Agreement PW-12668 with Smith-Emery Company to provide materials testing and special inspection services for a \$800,000 not-to-exceed amount.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approving the recommended action will provide sufficient funding for Smith-Emery to provide materials testing and special inspection services for the remaining construction duration as required by the Office of Statewide Health Planning and Development (OSHPD), the California Building Code, and the Los Angeles County Building Code.

On February 20, 2003, your Board awarded Agreement PW-12668 to Smith-Emery for \$5,781,000. Subsequently, four Supplemental Agreements for materials testing and special inspection services were awarded with a combined \$3,450,000 value, bringing the total current Contract value to \$9,231,000.

Currently, several factors have increased Smith-Emery's projected costs for services beyond those previously anticipated. During installation of seismic bracing for utilities in the Central Plant, conflicts between bracing anchors and rebar in the walls and ceilings required anchor bolts to be relocated or additional braces to be installed. Various design changes to anchorage of cabinets and control panels in the Inpatient Tower building and Diagnostic and Treatment building increased the demand for Smith-Emery's services. These modifications have increased inspection services for field welding, bolting, and pull testing of anchors. Additionally, various modifications to the site retaining walls have increased inspection services for formwork, rebar installation, concrete batch plant, and concrete placement.

Smith-Emery's inspectors are members of the Operating Engineers Union. During the past four years since award of this Agreement, the Union's wage rates have increased. Public Works has reviewed and determined that an \$11 hourly wage increase is needed to reflect the fair market rates for the inspection services performed by Smith-Emery's inspectors.

FISCAL IMPACT/FINANCING

There is sufficient appropriation in the existing project budget (C.P. 70787) for the award of the Supplemental Agreement. The recommended Supplemental Agreement with Smith-Emery for a \$800,000 not-to-exceed amount will bring the total Contract value with Smith-Emery to \$10,031,000. The recommended supplement will be funded through the use of the consultant and vendor services category included in the current project budget.

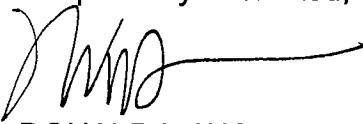
We have reviewed the above recommendation as well as the potential cost and schedule impacts with the Project Advisory Committee.


The Honorable Board of Supervisors
March 6, 2007
Page 3

CONCLUSION

Please return an adopted copy of this letter to the Chief Administrative Office (Capital Projects Division) and Public Works.

Respectfully submitted,


for DONALD L. WOLFE
Director of Public Works


DAVID E. JANSSEN
Chief Administrative Officer

MF:kl

Smith-Emery SA 5 03.06.07 R10

cc: County Counsel
Department of Health Services (Fred Leaf)
Project Advisory Committee (A. Redmond Doms, Jerry Epstein, Nick Patsaouras)